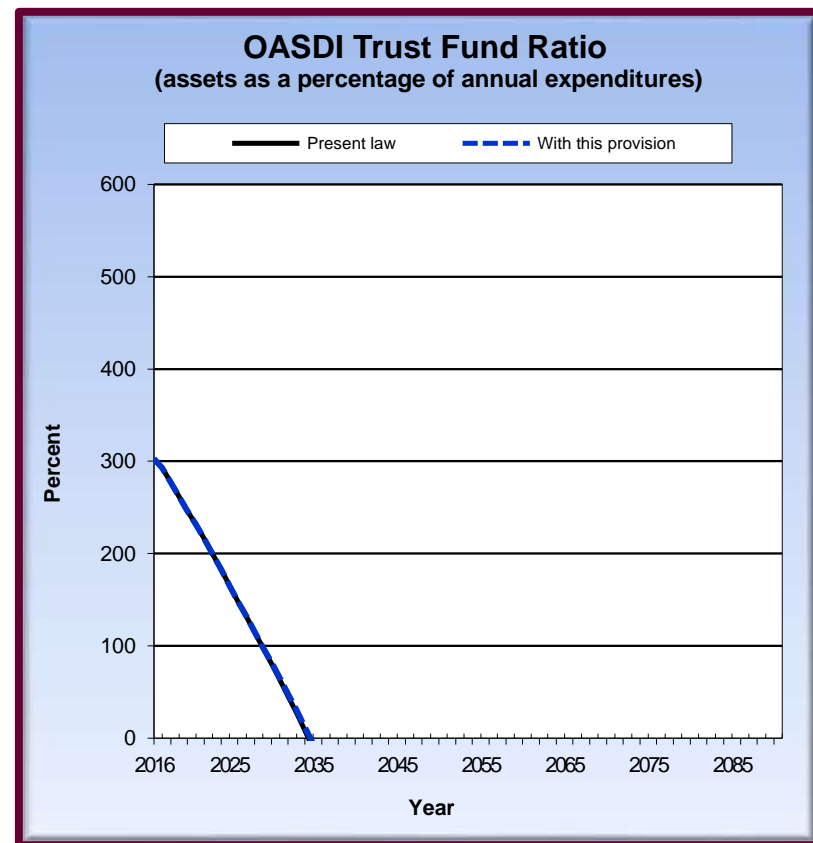
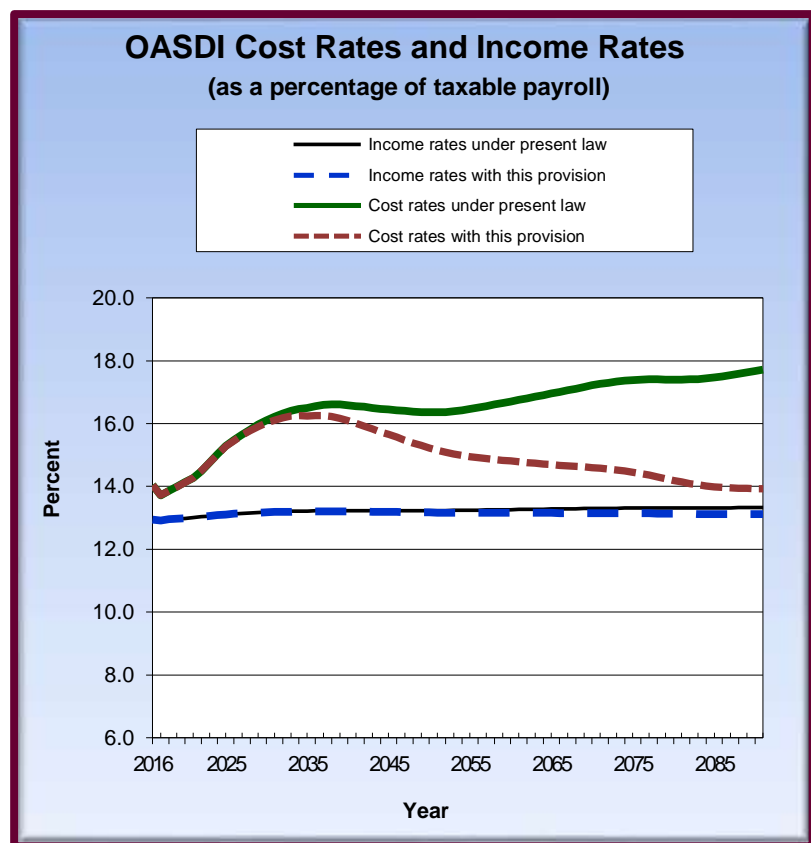


## Summary Measures and Graphs

### Category of Change: Level of Monthly Benefits

*Proposed Provision: Progressive price indexing (40th percentile) of PIA factors beginning with individuals newly eligible for OASDI benefits in 2023: Create a new bend point at the 40th percentile of the AIME distribution of newly retired workers. Maintain current-law benefits for earners at the 40th percentile and below. Reduce the 32 and 15 percent factors above the 40th percentile such that the initial benefit for a worker with AIME equal to the taxable maximum grows by inflation rather than the growth in the SSA average wage index.*

| Present law<br>[percent of payroll] |                                   | Change from present law<br>[percent of payroll] |                                   | Shortfall eliminated               |                                   |
|-------------------------------------|-----------------------------------|---|-----------------------------------|------------------------------------|-----------------------------------|
| Long-range<br>actuarial<br>balance  | Annual<br>balance in<br>75th year | Long-range<br>actuarial<br>balance              | Annual<br>balance in<br>75th year | Long-range<br>actuarial<br>balance | Annual<br>balance in<br>75th year |
| -2.66                               | -4.35                             | 1.25  | 3.53                              | 47%                                | 81%                               |



Estimates based on the intermediate assumptions of the 2016 Trustees Report

Office of the Chief Actuary, Social Security  
June 16, 2016